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May 30, 2024

**By Federal Express and Electronic Filing**

The Honorable John P. Mastando III  
United States Bankruptcy Court  
Southern District of New York  
One Bowling Green, Courtroom 501  
New York, New York 10004-5663

Re: *In re JJ Arch*, Case No. 24-10381-jpm

Your Honor:

Our firm represents 40 Neutral LLC (“Neutral”) and Kay Properties LLC (“Kay”) in the above-captioned chapter 11 proceedings of JJ Arch. As Your Honor may recall, on March 20, 2024, Neutral and Kay filed the *Motion to Expand Powers of the Subchapter V Trustee* [Dkt. No. 23] (the “Expanded Powers Motion”) that remains pending before the Court. At a prior conference before the Court, Your Honor asked that we keep the Court apprised of efforts to resolve the matters addressed by the Expanded Powers Motion on a consensual basis.

Efforts to resolve the Expanded Powers Motion have been extensive but have not achieved resolution and we do not at this point expect that resolution can be achieved. Discussions with counsel to Mr. Chassen and counsel to the Debtor were productive. Discussions with counsel to Mr. Simpson, later in the process, sought changes to terms that had already been discussed among the parties, and even assuming that those changes could be agreed upon (unlikely in our view), required that Mr. Simpson provide additional information. Despite several requests and the passage of several weeks’ time, that information has not been provided.

Neutral and Kay ask that the Court please schedule the Expanded Powers Motion for a hearing, and respectfully requests an opportunity to be heard on scheduling and moving forward with the motion at tomorrow’s hearing on other matters, at 11:00 a.m.

Thank you for your consideration of this matter.

Respectfully submitted,

*/s/ William C. Heuer*

William C. Heuer

WCH/ger